

The Urban Institute

**“DEEPENING URBAN  
REAL ESTATE REFORM”  
(DURER)**

**FINAL REPORT**

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00

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## **EXECUTIVE SUMMARY**

Following is the Final Report for the "Deepening Urban Real Estate Reform" (DURER) Project pursuant to Contract No. EPE-009-Q-00-5120-00, Task Order No. 3, between the Urban Institute and the United States Agency for International Development. The term of the project was from October 12, 1996 until August 26, 1998. The project was extended until 20 September 1998 in order to execute two additional tasks, not in the original work plan: assistance to the USG Regional Investment Initiatives in Samara and the Russian Far East, and a one-month project related to registration of real property rights in the Novgorod Oblast in connection with the Regional Investment Initiative in Velikii Novgorod. This Final Report details the achievements of the project relative to its Work Plan (submitted 16 December 1998 and amended in March 1997).

The role of the Deepening Project was to support and extend previous and on-going efforts financed by USAID in supporting real estate reform in Russia. The Urban Institute (USA), drawing upon the resources of its Russian analog, the Institute for Urban Economics, executed the contract in accordance with the Task Order of USAID.

The main goal of the project was to develop the professional capacities of Russian organizations and individuals engaged in real estate activities through a three-pronged approach of (1) professional education and training; (2) dissemination of reform resource materials, and (3) fostering the growth of professional networks. All program components were targeted to the professional audiences including trade associations, professional unions and other governmental and non-governmental institutions. The ultimate objective of the project was the growth of the private commercial and residential real estate sector in Russia through the development of well-informed and properly trained real estate professionals with the skills and information necessary to introduce and implement effective changes in Russia urban real estate markets.

The Deepening Project focused on six strategic areas: (1) enterprise land sales, (2) real estate information and registration systems, (3) urban land use regulation and zoning, (4) property tax reform, (5) commercial real estate mortgage lending, and (6) construction period financing. The means of program implementation included: the creation of a speakers bureau, conduct of seminars, training of trainers, a publications project, and creation of an information service center/resource archive.

The Final Report reviews the strategy for the project, the specific tasks it undertook and accomplished, and measures the project's performance against its original calendar and performance indicators. Each aspect of the project's work is backed up by extensive detailed documentation which is included as appendices to this report. Neither this report, nor the original Work Plan, address the St. Petersburg Real Estate Information Systems (REIS) Project, which was covered in a separate memorandum from PADCO (UI's subcontractor) to USAID.

In fulfilling its workplan, the Deepening Project published a total of 127 full-length articles and over 550 short bulletins and notices, involving 78 authors in over 42 national and regional journals, magazines, and industry newspapers. The estimated readership of project generated articles was in excess of 4.8 million readers, many of whom are involved in the real estate sector. Most of the individual DURER-published articles were, and continue to be subsequently, published in additional paper and electronic media (including

the Internet), thereby further expanding the number of publication incidents and the readership. Some articles, published as a series, were republished as a short booklet by the project.

DURER conducted 26 multi-day seminars in cooperation with 20 Russian partner and affiliated associations in thirteen cities. The over 1400 participants included brokers, property managers, appraisers, bankers, representatives of oblast and municipal administrations, and various members of the interested public. The seminars served as primary conduits for the distribution of handbooks, case studies, and course materials created by preceding USAID projects, then collected and reprinted by the Deepening Project. All materials, many of which were also on computer diskette, were readily copiable and therefore available for further local distribution by the partner associations. In the second phase of the project, DURER organized a popular two-day Omnibus Seminar which provided for an intensive introduction to each sector of real estate reform and stressed their inter-relationships.

The project was able to achieve its objectives on time and on budget by utilizing indigenous real estate experts, most of whom were alumnae of USAID programs, thereby enhancing their professional recognition through their work as seminar speakers and authors of articles. The dissemination of the resources collected and created by the project continues through the project's Information Services Center and archive in Moscow and four regional affiliates. Although not written in the project's original budget or workplan, the project also performed additional services for USAID in organizing real estate sector programs for USG's Regional Investment Initiatives in Novgorod, Samara, and the Russian Far East; in writing a draft manual to assist the Ministries of Justice and Land Use in implementing registration of real property rights; and in conducting a study to identify potential Russian partners for a proposed university partnership program for real estate studies.

The following table details the DURER project's accomplishments in relationship to its overall objectives and specific goals, as listed in USAID's Task Order and the project's Work Plan. Detailed explanation of work in each task area is provided in the subsequent text of this report, and complete details are included in the various reports included in the Appendices.

#### PROJECT ACCOMPLISHMENTS MEASURED AGAINST ITS OBJECTIVES AND GOALS

OBJECTIVE	GOAL	ACCOMPLISHED
Start-up: Deliver Work Plan for DURER Project to USAID	December 1996	Work Plan delivered 16 Dec 1998
Start-up: Deliver Commitments of Participation from no less than 10 organizations & associations	No less than 10 organizations and associations by January 1997	14 Letters of Commitment delivered 16 December 1996
<i>Task 1: Professional Education and Training</i>		

A. Curricula Development	Deliver curricula and training materials on no less than 5 aspects of the real estate market for training of trainers and professional organizations	<p>Gathered available curricula and training materials from each related, existing or on-going USAID pilot program, as they became available:</p> <ol style="list-style-type: none"> <li>1. Enterprise land sales (Chemonics)</li> <li>2. Property taxation (CFED)</li> <li>3. REIS Manuals (Arthur Anderson/Chemonics)</li> <li>4. Commercial Real Estate Lending (Barents/IUE)</li> <li>5. Zoning and Land Use (PADCO)</li> </ol> <p>Materials were updated where possible, deposited in the IUE Information Services Center, and distributed where appropriate</p>
B. Professional Educational Courses	Provision of the first of 10 seminar and/or conference presentations by January 1997	Land Use Reform / ELS Seminar in Khabarovsk (January 1997)
C. Training of Trainers	Deliver Curricula for training of trainers and professional organizations by March 1997	<p>Training materials for first of two trainers training seminars (effective methodologies) delivered Feb. 1997; materials for second seminar (presentation skills) were delivered in March 1997</p> <p>Three, dual seminar/workshops conducted during the life of the project (for IUE, RSA, RGR, and TsFIR)</p> <p>Additional, specialized seminar on teaching investment analysis was written &amp; given for IUE and RGR in May, 1998</p>
<p><i>Task 2: Dissemination of Information</i></p> <p>A. Prepare, publish, and distribute Professional Handbooks</p>		

B. Implement a publications program	Publication of the first of 50 informational articles for trade publications and the first of at least 20 in-depth articles in trade publications	DURER published 127 full-length articles and over 550 short bulletins and notices, involving 78 authors in over 42 publications; additional publication on the Internet and on-going publication after the close of the project
C. Seminar & Conference presentations	Conduct 10 seminar &/or conference presentations	DURER conducted 26 multi-day seminars in cooperation with 20 partner associations in 13 cities. Over 1400 professionals participated. Case studies, handbooks, and course materials were disseminated at each event.
D. Depositories for real estate reform materials	<p>Establish the primary Archive/library for the project in Moscow by December 1996</p> <p>Establish two secondary archive/library centers by October 1997</p>	<p>IUE Information Services Center fully operational by December 1996</p> <p>3 Regional Information Centers established with partner associations by October 1997 (St. Petersburg, Samara, and Ekaterinburg)</p> <p>2 additional centers were established by the end of the project (Novgorod and Tiumen)</p>
<i>Task 3: Fostering the Development of Professional Networks</i>	<p>Establish a functional "Speakers Bureau" to be operated by a local organization and which demonstrates collaboration among at least 10 Russian professional and trade association in the exchange of real estate information and experts (by March 1997)</p> <p>Serve as liaison with the EERPF</p>	<p>DURER organized 88 Russian experts for its Speakers Bureau; in response to demand, 49 participated in 26 events in collaboration with 20 Russian organizations. At project end, the Speakers Bureau has been turned over to IUE for future work.</p> <p>DURER assisted EERPF participation in a seminar in Samara, provided training in support of its IREM property management program, met with EERPF directors and attended their events</p>

<i>Task 4: Incorporating Resources from Pilot Projects</i>	(no specific outcome was stated for Task 4)	See listed accomplishments for Task 1, subtask A (above)
<i>Task 5: Completing REIS network in St. Petersburg</i>	In agreement with USAID, implementation was handled via subcontract and managed by UI's DC office	Achievement is detailed in a separate report from UI/DC.

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## **INTRODUCTION**

The purpose of this Final Project Report is to review the history of implementation of the project's Work Plan, with its March, 1997 revision, to assess the degree to which project objectives were achieved, to provide detailed end-of-the-project reports (included as appendices) and to make recommendations that might be useful for similar on-going or future USAID projects. Given the difficulty of accurately forecasting over a two year project term, the project's original work plan included a provision for revision of the project goals after one year, in order to assure their realistic and maximal attainment. This was done in a report of July 30, 1997.

The Urban Institute implemented the Deepening Project with the Russian non-profit firm, "The Institute for Urban Economics" (IUE), which also is the principal subcontractor for all housing finance work under the Housing Sector Reform Project. All Russian staff were employees of the IUE. Lodging the project with IUE was mutually beneficial since it allowed the project to more effectively mobilize Russian professionals, and furthered IUE's successful institutionalization.

## **I PURPOSE OF THE PROJECT**

The program's overall objective was to develop the professional capacities of Russian professionals and organizations engaged in real estate activities through a three-pronged approach of:

1. developing professional education and training
2. disseminating information regarding reform, and,
3. fostering the growth of professional networks.

All of the program elements were targeted to the appropriate audiences of professionals with the assistance of trade associations and other public and private sector groups. The emphasis was on providing practical, "how-to" guidance and encouraging the development of professional networks within the Russian real estate sector.

## **II OBJECTIVES OF THE PROJECT**

The five specific issue-areas addressed by the Deepening Reform project included:

- Acquisition of land by privatized enterprises and resale of surplus enterprise land ("enterprise land sales")
- Land use and zoning
- Property taxation and local policy legislation and regulation
- Real estate finance (including commercial mortgages and lending for new construction)
- Real estate information and registrations systems

To address these issues effectively, the DURER project used a variety of out-reach and communication strategies, including professional education courses, professional handbooks, articles for professional newsletters and bulletins, the trade press and academic journals; and seminar and conference presentations. All of these elements were



targeted to appropriate professional audiences in partnership with Russian organizations. They included trade associations, professional associations, and governmental groups. The emphasis, throughout all programs, was on providing practical, “how-to” guidance and encouraging the development of networks of professionals within the overall real estate sector. The “Deepening Reform” built upon the achievements of preceding USAID assistance programs in Russia

### **III PROJECT STRATEGY**

The strategy of the DURER Project was to work with real estate professionals and real estate trade associations in carrying out its activities. By working with the associations, the project increased the value to members in participating in their association and demonstrated to association leadership the desirability of conducting value-added courses and disseminating “cutting edge” practical guides to its members. In implement this strategy, the first task of the project was to define the demand for USAID sponsored programs in terms of the specific needs of Russian partner associations, according to where they were in the reform process. Concurrently, the DURER Project addressed the supply-side by gathering, inventorying, and assessing the training materials of other USAID real estate sector projects. The goal was to match these resources to the demand, utilizing indigenous professional associations, trade organizations, and other groups as the delivery vehicles for the training. In the event that training materials were lacking or required revision, the Deepening Project utilized experts from partner USAID contractors, assisted by its own experts, to fill the gaps and either modify or write the required materials. The Project will conducted quality control reviews of the training materials and sessions and provided training for trainers, where necessary, to insure a more effective program delivery. Such training embraced both teaching of specific subject matter and utilizing effective presentation methodologies for adult, professional education.

Concomitant to the conduct of training, the Project sought to extend the reach and encourage the maturation of USAID-assisted reform programs through the construction of information and relationship-based networks, publication of the reform activities of Russian partner groups, and distribution of training materials as broadly as possible. At the outset, the Project constructed and maintained a cadre/resource database of individuals and organizations involved in its partner contractors’ projects. This database was the resource for implementing the Project’s training, as well as its networking, Speakers Bureau, publication, and distribution programs. At the end of the project, the database has been given to each of the project’s Russian partner associations and deposited in DURER’s Moscow and regional Information Service Centers to serve as a working resource for sustaining AID assisted programs in the real property sector.

#### **A Assessment of the Demand Side**

Prior to making substantial commitments for expanding the supply of information, it was important to assess the demand side and, subsequently, to inventory the “supply” of resources from past USAID-supported real estate projects. Assessment of demand was done both informally and formally. In the day to day conduct of the project, there was a constant opportunity to assess demand as reflected in specific requests for information and in discussions with various associations regarding their specific programatic needs. More formally, at the start of the project (and later as new associations were identified), DURER developed and distributed a survey in order to clearly identify the needs of its partner associations, to establish the relative demand for the project’s programs, and to determine

their most effective (i.e. desired) means of delivery. The actual survey form consisted of two pages, the first listing the project's various programs in a matrix with the project's proposed methods to deliver its services. The second page of the survey gave participants a chance to express any other needs or issues of concern that might not have been included in the programs of the project. Specific Russian associations with whom partnerships were sought, and who were polled in the survey of demand, are listed in the Table 1, below. Many of the organizations represent those with whom the Urban Institute and its related entities already had relationships. Most have chapters or collective member affiliates throughout the regions of Russia. Both the survey format and the results of the survey are illustrated in Table 2, below.

The completed worksheets, backed by notes, were utilized to implement a partnership with each subject association in order to deliver each one a customized package of training services (training handbooks, seminars, speaker presentations, or training for trainers). Some of the topics listed in the table were beyond the scope of the DURER project; they were included in the survey, however, for the purpose of forwarding the information for the benefit of partner organizations in assessing and fulfilling the needs of their own constituents.

In each instance in working with Russian trade association partners, the Project coordinated programs by first matching them with the training work of on-going USAID projects. If the need fit the Deepening Workplan, but could not be matched to the services of a then existing AID project, the DURER project tried to fill the need by utilizing the training materials and cadre of former USAID contractor projects, or, if such staff is was not available, through other consultants. Special care was taken to utilize existing Russian experts (from ILBE, the RPC, the Institute for Urban Economy or other organizations) wherever possible. Only in instances where there were no existing or modifiable training materials available, did the Project step in to produce them. In most instances, unmet demand was filled through the vehicle of the DURER Speakers Bureau and, ultimately, through its Omnibus Seminar, which was created with the expressed, prior consent of USAID.

TABLE 1

Russian Partner Organizations and Associations			
<i>Sector</i>	<i>Scope</i>	<i>Base</i>	<i>Organization / Association</i>
Public	All-Russian	Moscow	Land Section, Union of Russian Cities
Private	All-Russian	Moscow	Russian Guild of Realtors
Private	All-Russian	Moscow	Russian Society of Appraisers
Private	All-Russian	Moscow	Russian Association of Commercial Banks
Private	All-Russian	St. Petersburg	Union of Russian Architects
Private	All-Russian	Moscow	League of Industrialists and Entrepreneurs
Private	All-Russian	Moscow	Russian Association of Mortgage Banks
Private	All-Russian	Moscow	Association of Privatized and Private Enterprises
Private	All-Russian	Moscow	Fund for Support of Economic

Private	Regional	Moscow	Reform (ELS successor association) Moscow Association of Independent Appraisers
Private	Regional	St. Petersburg	St. Petersburg Association of Real Estate Brokers
Private	Regional	Samara	Polvolzhie Guild of Realtors
Private	Regional	Ekaterinburg	Urals Guild of Realtors

TABLE 2: *Table of Aggregated Results*

<b>ASSESSMENT OF NEEDS AND DEMAND FOR DURER PROGRAMS</b>						
Association	Aggregate of 8 responding associations/organizations					
City	Moscow, St. Petersburg, Samara					
Date	January-February 1997					
<i>Topics of Interest</i>	<i>Areas of Interest &amp; Priorities</i>					
	<i>Courses (2-3 days)</i>	<i>Seminars (1 day)</i>	<i>Presentations/speakers</i>	<i>Articles, bulletins</i>	<i>Handbooks</i>	<i>Total</i>
Acquisition of land by privatized enterprises	26	25	20	24	26	121
Sale of surplus enterprise land	18	18	22	19	23	100
Land use and zoning	25	31	27	29	31	143
Real estate information and registrations systems	39	33	36	28	35	171
Real estate property taxation	33	42	37	37	37	186
Local policy legislation and regulation regarding real estate	37	37	43	37	39	193
Real estate finance	37	37	36	33	37	180
<i>Totals (per medium)</i>	215	223	221	207	228	
<i>*Scale for judgment of priorities</i>						
5 = highest priority						
4 = very useful now						
3 = useful in general						
2 = useful, but less important than other topics						
1 = of little immediate use						

In assessing the results of the demand survey, it was evident that there was significant demand for training in the areas included in the DURER project's Task Order and Work Plan. It was also evident that some of the project's programs had broad appeal, cutting across the lines of the various real estate professions, and that other programs were best targeted to selected professionals in order to provide cost-effective delivery. Great interest was evident among all real estate sector professionals in the issues of local policy legislation and regulation, real property taxation, and real estate finance. This was understandable and to be expected in that these represent the primary issues to be addressed in the development of a market-driven real estate market in Russia. In consideration of the fact that these areas were subject to local variation, it was decided that care would be taken to address local, in addition to federal, issues in all presentations in which it was possible to do so. The survey results showed that real estate information and registration systems, as well as zoning issues, were evenly of interest to all real estate related professionals. Areas related to the former Enterprise Land Sales (ELS) project, although clearly important to the future development of the Russian real estate market, were revealed to have a more limited and specialized audience at the time of the survey. As a result, it was decided that ELS related work required special targeting to specific audiences.

DURER's demand survey also allowed conclusions regarding delivery systems for the project's programs. It was concluded, first, that handbooks and on-the-shelf training materials developed (or being developed) by the DURER project's USAID contractor partners would be much in demand. It was apparent that the medium of handbooks and sets of training materials required particular attention, along with the distribution programs planned through the project's Information Services Center and regional centers. It is likely that the distribution of printed materials (and resources on diskette) was the most durable of all of the project's programs since it afforded the possibility of on-going self-replication as local seminar sponsors made and distributed additional copies on their own initiative.

The second significant conclusion drawn from the demand survey was that there was a significant interest in presentations and, especially, short (one-day) seminars. This preference for short, working presentations over longer, more conventional course presentations was clear-cut and reflected that fact that the project's partner associations were composed of working professionals who were interested in readily acquired, practical training, offered locally, and requiring minimal time out of the workplace.

The survey also had implications for Deepening's publications project. On the basis of survey data, it was decided that articles published by the project would be linked to subjects treated in seminars and shorter presentations, and that longer, more in-depth articles should emphasize practical application, wherever possible. The final conclusion was that the project would pay close attention to providing notices of available handbooks and publications, as well as to advertising the opportunity to participate in DURER sponsored seminars and presentations. Wherever possible, audiences were targeted in terms of profession and addressed through professional bulletins and local professional media.

## **B      Assessment of the Supply Side**

The specific issue-areas of the DURER Project are listed below, along with assessments of the status of training by the projects of related USAID contractor programs. Following the

assemblage and assessment of the resources generated by other projects, DURER sought to maximize, deepen and expand their achievements throughout Russia.

1. *Acquisition of land by privatized enterprises and resale of surplus enterprise land*

Chemonics International's "Enterprise Land Sales (ELS)" Project was closed out on 1 November 1996. DURER attended their close-out conference and secured their training resources and a contact database of their personnel and participants. The materials delivered included the ELS Handbook (the core resource in ELS seminars), various supplemental handouts, and resource lists of individual presenters and organizations active in the project. The training materials are available in hard copy and on diskette, in most instances, in both English and Russian. At the request of USAID and the then State Property Committee (GKI), the DURER project participated in an additional ELS seminar, after the close of Chemonic's project, in February 1997 in Khabarovsk in the Russian Far East). ELS materials were inventoried and secured in the DURER project office. Speakers on the topic of enterprise land sales, as well as distribution of the Chemonics ELS handbooks, were incorporated in DURER seminars at every opportunity wherever local partner associations expressed an interest in the subject. ELS handbooks were included in DURER's Moscow and regional Information Services Centers, as well as being distributed to Novgorod State University as a part of the project's work in the Partnership for Freedom initiative in Velikii Novgorod.

2. *Land use and zoning*

The close-out for Bancroft Group's "Modern Land Use System Regulation Project" (Zoning), originally scheduled for December, 1996, was extended to February, 1997. The DURER project secured exemplar material from the St. Petersburg Zoning Conference, composed of case studies in implementing zoning in five Russian cities. No formal training materials were developed by Bancroft, although PADCO develop a series of zoning related handbooks as a part of its Land Use project (completed in March, 1998). Subsequently, the Deepening Project utilized Bancroft and PADCO generated materials, plus resource materials provided experts in its own Speakers Bureau, to address the issue of urban land use and zoning as a part of DURER's Omnibus Seminar which was taught throughout Russia in 1998.

3. *Real estate information and registrations systems*

The Deepening Project received English and Russian language copies (hard copies and on diskette) of the six Real Estate Information and Registration System (REIS) handbooks developed by Arthur Anderson in conjunction with Chemonics. The Project attended a close-out seminar staged by Arthur Anderson in Moscow in November, 1996. All materials available from the seminar, along with the set of six REIS handbooks, were copied, and added to the project's Information Services Center, DURER, however, did not receive actual training materials written to support the implementation of the real estate information and registration systems projects. Consequently, the role of the Deepening Project was to utilize what it received to create its own sources for information and training concerning real property registration systems. Work in the area of registration became a significant aspect of the DURER project through provision of speakers in response to interest expressed by the project's partner associations on this issue. Presentations on registration were featured as a major component of the DURER-developed Omnibus seminar, and, finally, involvement of the DURER project in writing a draft manual of registration procedures in accordance with agreements of cooperation with the Russian

Ministry of Justice and the Federal Land Committee (which subsequently became the Ministry of Land and Construction (MinZemStroi). This final project, which was not included in the project's work plan, is discussed in section V, subsection A of this report.<sup>1</sup>

#### 4. *Property taxation and local policy legislation and regulation*

Early in the term of the project DURER met with the directors of CFED's "Real Estate Assessment and Taxation" Project," in order to track the development of training materials to support implementation of their project for real property tax reform on the basis of unified, ad valorem taxation. DURER also attended CFED's property tax workshop held for representatives of participating cities through the Russian Federation (March 1997 in the city of Novgorod). Although DURER was able to gather complete sets of the Russian and English language materials from the Novgorod tax workshop, no training materials, as such, were ever received from the CFED project, in spite of appeals by DURER and requests by USAID. In response to a broadly expressed interest in the topic by Deepening's partner associations, DURER developed speakers, taken largely from Russian specialists involved in the CFED project, to serve in its Speakers Bureau presentations and included a module on real property taxation as an integral part of the project's Omnibus Seminar on real estate reform. The project also focused on implementation of real property tax reform by contracting for articles as a part of the project's publications program.

#### 5. *Real estate finance*

The Barents Group's "Commercial Real Estate Mortgage" Project closed out at the end of September 1996. The DURER project secured training materials from the Barent's program and supervised their integration into the Commercial Real Estate Lending (CREL) Project of the Institute for Urban Economics. In order to achieve cost economies, management of the DURER project was designed to interlock with that of the Institute for Urban Economics' "Commercial Real Estate Lending" Project. The CREL workplan was integrated into the final workplan of the Deepening Project.

Assessment of the Barents training materials indicated that, although they did deliver successful courses, the materials from the courses were incomplete and require editing, amplification, and integration into the materials produced by the Institute for Urban Economics. This was done with the assistance of the Deepening Project through meetings with the CREL staff and sessions related to practical implementation of training of trainers sessions that DURER conducted for the CREL project. DURER worked with CREL staff to respond to requests received from the clients of both projects for presentations on topics related to real estate lending. The Assistant Project Director worked with CREL to create and complete a form surveying lending activity and desired areas of training. The survey was distributed to CREL's client banks, and its conclusions utilized in designing CREL's seminars. DURER staff assisted CREL in the actual development of its Commercial Real Estate Lending Seminar, provided training of trainers, and attended initial offerings of CREL seminars to critique the presentations as a matter of further training of trainers and as quality control on the jointly developed seminar. Throughout the life of both projects, close coordination was maintained. Furthermore, DURER sponsored Speakers Bureau presentations, published numerous articles, and distributed much resource material on

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<sup>1</sup>DURER's involvement in the final state of the Real Estate Information Systems (REIS)" Project was centered in St. Petersburg. Rendering the REIS equipment operational and managing the equipment service contracts was handled through the Urban Institute's Washington, DC office, not as a part of the core DURER project.

topics related to real estate lending. Finally, commercial real estate lending was included as one of the four areas of emphasis in Deepening's Omnibus Seminar.

Two special aspects of the project's publications program related to commercial real estate lending are noteworthy: the project published two collections of articles and DURER staff participated closely as experts in the final passage of the "Law on Mortgage" of the Russian Federation. Series of articles on the working of commercial real estate lending, how to apply for a loan, and the impact of commercial lending on banks and the community were written by Kevin O'Brien and Steven Butler. After serial publication in the regionally press, both sets of articles were republished by the project as booklets to libraries and interested individuals. They were also included in the project's Information Services Centers.

In accordance with the Project Task Order, the DURER project met with USAID to receive all of the training materials submitted at USAID's request and to be transferred by AID to the Deepening Project. Beyond the materials listed above, USAID has received no other training materials. The Deepening Project independently gathered all contractor training materials that could be identified and, after inventorying and assessing them, saw that they were cataloged into the project's Information Services Center. A list of available publications was written in Russian and English and was, as a standard procedure, distributed at all DURER sponsored events. It was also given or faxed to all people making inquiries about project materials and areas of responsibility.

#### **IV SPECIFIC TASKS ACCOMPLISHED**

The specific tasks required to accomplish the above strategic objectives are listed below. For ease of review, the discussion is arranged according to the organizational schema of the project's original workplan. In the discussion of each area, the Outcome as defined in USAID's Task Order is quoted in italics to facilitate comparison of goals and results. The discussions below will address overall results; however, detailed data for each task can be found in the Appendices. Throughout the term of the project, weekly activity reports were submitted to USAID, as well as periodic, detailed reports on specific areas of the project. It should be noted that in the original task order, identical outcomes were discussed in various parts of the Task Order. To avoid repetition, outcomes will be discussed on a consolidated basis at the logical place in this report.

##### **START-UP PHASE**

*OUTCOME: Deliver Work Plan for the Deepening Reform Project to USAID (December 1996) - ACCOMPLISHED.*

The Work Plan of the DURER project was delivered to USAID on 16 December 1996.

*OUTCOME: Deliver Commitments of Participation (evidenced by informal letters of stated commitment) from no less than ten organizations and associations (January 1997) - ACCOMPLISHED.*

Fourteen Letters of Commitment to participate as partners with the Deepening Project were delivered to USAID at the time of delivery of the project's work plan on 16 December 1998.



### **Task One: Professional Education and Training**

Professional training was recognized as an essential element making the innovations of the pilot projects stand up in practice. In recognition that the creation of a cadre of real estate professionals in both the private and public sectors was critical to the development of real property markets in Russia, the project was charged with providing professional training programs targeted to the real estate community. Such programs were to consist of three components: curricula development, professional education courses, and the training of trainers.

The goal of training programs was not only to enhance professionalism and support for implementation of pilot reform projects, but also to assist the project's partner associations by providing training as a significant member benefit and revenue generator. The purpose was to assist partner associations in establishing quality professional training that was fee-based in order to underwrite their sustainability. In general, the project sought to encourage its partners to make the transition from the subsidized training of AID pilot programs to fee-based, self-sustaining training programs which they themselves originated and controlled.

The format for training delivery was varied according to the length of available time, the nature of the training materials, and pedagogical objectives. These definitions were used in tracking and reporting the project's activities.

- Training for less than one-half day, utilizing a single speaker, without formal training materials was designated as a "Presentation." Such presentations were made on topical subject matter and at the request of a Russian constituent organization. In practice, this was the secondary format for the delivery of DURER training.
- "Seminars" were defined as training sessions lasting from six hours to two days, in which the full and normal spectrum of training materials were utilized. Certificates of attendance were usually given to participants. This was the most popular delivery format for the project's training.
- The "Course" format represented a multiple-day version of a seminar, utilizing full audiovisual and presentation materials, along with instructors' and participants' handbooks, and, possibly, an examination at the end of the course. Certificates of Completion were given to those who passed the examination. In practice, few courses were conducted; most involved Training of Trainers.

In each training event, an attempt was made to produce a complete contact directory for all participants for the purpose of network building and the marketing of future training offerings. Presenters were encouraged to use audio-visual materials that were well designed and functional for adult education.

#### **A. Curricula Development**

*OUTCOME: Deliver curricula and training materials on no less than five aspects of the real estate market for training of trainers and professional organizations (March 1997) - ACCOMPLISHED.*

As the first stage to fulfillment of this program objective, the project gathered all curricula and training materials from each existing or then on-going USAID pilot

program. The contractors and the date of their delivery of materials to the DURER project were as follows:

- Enterprise Land Sales (Chemonics) - The remaining stock of ELS handbooks, along with newsletters and miscellaneous other materials, were acquired from Chemonics following the February 1997 closing of their project. All of the materials were catalogued into the DURER Information Services Center. ELS handbooks were distributed to participants of subsequent seminars relating to land sales, and to anyone requesting information on land related topics.
- Property Taxation Manuals (CFED) - Although the Deepening Project met with CFED and tracked the development of their Property Taxation Manual, and in spite of appeals to USAID, DURER never received it from the contractor. The project was successful, however, in securing a Russian language, revised version of an overall property taxation manual from Natalia Kalinina. This manual was reprinted, entered into the Information Services Center, and widely distributed at each subsequent DURER project event.
- Registration (REIS) Manuals (Arthur Anderson/Chemonics) - The full set of six Russian and English language manuals were received from by March 1998, were catalogued, and subsequently distributed at events relating to registration and in response to individual requests for information.
- Commercial Real Estate Lending Manual (Institute of Urban Economics) - The commercial mortgage handbook, based on materials of the Barents Project, and amplified by IUE's Commercial Real Estate Lending team, was received at the initiation of the DURER project and was entered into the program's archive and distribution systems.
- Real Estate Zoning and Land Use Handbooks (PADCO subcontract) - A set of seven Russian language handbooks was received by the end of the extended term of PADCO's Land Use Project, in addition to a full set of a short newsletter published by the project. All copies were reproduced both on paper and diskette and entered into DURER's distribution systems.

Where possible, training materials were periodically updated, based upon field experience. All training materials acquired and developed were deposited into the Urban Institute's unified "Information Services Center." There, they were inventoried, copied, and distributed to interested organizations and individuals and will serve as the resource base for subsequent training to be conducted after the completion of the project. In order to make sure that the handbooks and other resources were widely disseminated, a report list of available materials was included in the materials distributed to each participant in all subsequent DURER events. The usual practice was to display sample copies of each of the handbooks on the registration table of project events. At the end of the event, they were either given to individuals requesting them, or, most often, left as a reference with the DURER's joint partner association that sponsored and organized the event.

#### *B. Professional Educational Courses*

*OUTCOME: Deliver first training course, seminar, or presentation (December 1996) - ACCOMPLISHED.*

The first DURER training event was a seminar on land reform issues, requested by USAID as a follow-up to the end of the Chemonics ELS project. It was originally scheduled to be held in Khababovsk in December, 1996, but at the request of the local Society of Appraisers, the sponsor of the event, it was conducted a month later.

*OUTCOME: Provision of the first of 10 seminar and/or conference presentations (January 1997) - ACCOMPLISHED.*

As noted above, the project provided its first training event at a land issues conference, jointly sponsored with the local chapter of the Russian Society of Appraisers, in Khabarovsk in January, 1997. Subsequent seminars and conference presentations of the DURER project are described in fuller detail below under Task Two, Section C (page 20).

During its two year term, the project organized and supported a total of 26 seminars, seven train the trainers events, and 49 speaker presentations. Although event locations were primarily demand driven, they were scheduled wherever possible in the pilot cities of former USAID assistance programs in order to capitalize on the "real world" examples at hand. Throughout the project, local partner organizations were used to provide logistical and marketing support. The Project organized and paid for speakers and presentation materials. In nearly all instances, conference halls were provided for free, or at the expense of the local partner association which was encouraged to charge modest registration fees to cover the basic organizations and overhead costs of the event. The Deepening project paid the fees and expenses of its own speakers and also a modest fee to local officials serving as instructors. In every instance, contributions in kind were utilized. This overall mode of operation enabled the project to conduct seminars and speakers bureau presentations extensively, but at a minimal cost. It was one of the most significant means of running the project at minimal cost with maximum cost-effectiveness.

### *C. Training of Trainers*

*OUTCOME: Deliver curricula ... for training of trainers and professional organizations (March 1997) - ACCOMPLISHED.*

Materials for the first of two training of trainers seminars were prepared by February 1997. The second set of trainers materials was finished by March, 1997. During the life of the project, three (two workshop) cycles of training for trainers were conducted: with IUE's Commercial Lending team, with interested attendees during a seminar in Krasnodar sponsored with the South Russia chapter of the Russian Society of Appraisers, and with the real estate taxation team of the Center for Real Estate Analysis (a source of speakers for DURER sponsored presentations). An additional related session on "Techniques for Teaching Income Property Analysis Effectively" was written and presented to IUE's CREL team and trainers involved in the property management programs of the Russian Society of Realtors. DURER's Training of Trainers materials are available through its Information Services Center and were included on the list of training resources that was available to all participants in project sponsored events.

DURER produced materials for two basic train the trainers seminar/workshops. The first seminar/workshop addressed the fundamentals of designing and delivering effective, professional education for adults. The second focused on developing the

presentation skills of the individual speaker. In an effort to implement quality control and to provide a supply of future training cadres, the second seminar taught techniques of student evaluation and peer and self assessment for instructors. These workshops were offered to trainers on the staff of all partner associations, pilot projects and key sector organizations such as the Institute of Urban Economics (IUE), the Institute for a Law-Based Economy (ILBE), and the Russian Privatization Center (RPC). IUE, the RSA, the RGR, and the Center for Real Estate Analysis accepted the offer and scheduled workshops. In the case of work with the CREL team, follow-up sessions were held for group and individual coaching and content review of each trainer's presentations, and DURER attended their first, subsequent field presentation to assure quality control and critiques of individual performance. In the work of the project's Speakers Bureau, project staff attempted to screen potential seminar speakers to insure the quality of their presentations. In instances when a speaker competence was solid, but his delivery skills were judged to be deficient, project staff invited the speaker to attend portions of its trainers training sessions.

Throughout the project, every effort was made to utilize Russian professionals already involved in USAID pilot projects and the staff of key sector organizations. In very few instances, were non-indigenous speakers used: DURER's assistant project director and CREL's expatriate advisors were utilized in selected seminars in instances where their expertise was unique, or when their participation was desired by the local sponsor as a means of attracting a larger number of conference participants.

## ***Task Two    Dissemination of Information***

Dissemination of information is vital not only to the functioning of a market-driven real estate economy, but it is especially important for the expansion and maturation of the cluster of reform projects previously sponsored by USAID. To insure a broadly based and maximally effective dissemination of information, the DURER project:

- A.     Prepared, published, and distributed Professional Handbooks
- B.     Implemented a Publications Program

*OUTCOME:    Publication of the first of 50 informational articles for trade association publications and first of at least 20 in-depth articles in trade publications - ACCOMPLISHED.*

Most directly stated, the Deepening Project published a total of 127 full-length articles and over 550 short bulletins and notices, involving 78 authors in over 42 national and regional journals, magazines, and industry newspapers. The estimated readership of project generated articles was in excess of 4.8 million readers, many of whom are involved in the real estate sector. Most of the individual, DURER published articles were, and continue to be subsequently, published in additional paper and electronic media (including the Internet), thereby further expanding the number of publication incidents and the readership. Some articles, published as a series, were republished as a short booklet by the project.

Beyond the bare facts, it is important to examine the results of the project's publication program more extensively. When it came to interpretation of the

outcome as written in the project's Task Order and Work Plan, actual implementation revealed ambiguity in the definition of the number and categorization of the project's publication goals. The questions involved the difference between "informational articles," and "in-depth articles." The outcome stated "50 informational articles ... and at least 20 in-depth articles per year." It was decided to take the stricter, more ambitious definition of this goal as meaning that the project would publish (1) at least seventy regular-length, "in-depth" articles per year (whether suitable for publication in "scientific" or learned journals or publication in more popular professional media); and (2) as many short "informational" articles or bulletins as possible. These goals were attained.

Overall, the project planned for a total of 180 articles with over 109 prospective authors. As a matter of expected attrition, 78 authors actually submitted articles, of whom 75 had their articles published. Only those authors who had articles published were paid. Payment was on the basis of a written contract for services, and varied according to the length, technical difficulty, and authority of the author. Usually, payment equaled two days of labor at the ruble equivalent of \$100 USD per day.

Although 180 articles were planned, the DURER publications coordinator was able to contract for 138 articles, of which 127 were received before the project's designated June, 1998 cut-off for publication of these 127 articles, 123 were successfully published in the real estate mass media. The remaining four articles, along with 99 others were also published subsequently on the project's Internet homepage. A full list of articles planned, contracted for, published, and the details of their authors, titles, and publications is included in the appendix.

As a side benefit to DURER's publications work, the project built and maintained a database of Russian national and regional media related to real estate. To insure maximal exposure for informative articles on real estate reform to a wider and politically influential audience, the Project sought to identify publications with a high readership among Duma members and senior governmental administrators at the State, Subject of Federation, and local governmental levels and sought publication of the aforementioned articles and notices in the appropriate media venues. This database proved invaluable in vetting articles for publication, placing them in various print media, and in tracking their impact.

Considering that most of the publications were business and professional in their readership (and therefore, often included public opinion "influentials" and decision-makers), the impact of the project was immense--especially in relationship to its costs which were surprisingly modest. Furthermore, since archived sets of all DURER articles were freely distributed to each new real estate related publication identified, it has been observed that the project's articles are still being published, although DURER's publications manager is no longer soliciting publication by media editors. Publication on the Internet was not counted as primary incidents of publication. When publication occurred in individual media in separate regions, each publication was counted as a primary incident of publication. Publications on the Internet were not counted as primary publication events. Counting primary and secondary publication events, it is possible to say that the project produced a total of 228 publication events.

The area of informational bulletins was considered as being entirely separate from the publication of articles. Bulletins included one and two column, short articles

announcing the DURER project, the existence of its Information Services Center, its Speakers Bureau, the creation of Regional Information Centers, and notices regarding the project's publications program. No attempt was made to count publication incidents involving notices or advertisements of the Program's seminar or conference events. In terms of DURER generated bulletins, a total of 150 short information articles were published in 28 different national and regional print media. A detailed listing of bulletin publications is available as an appendix to this report.

**C. *Conducted Seminar and Conference Presentations***

DURER conducted 26 multi-day seminars in cooperation with 20 Russian partner and affiliated associations in thirteen cities. The over 1400 participants included brokers, property managers, appraisers, bankers, representatives of oblast and municipal administrations, and various members of the interested public. The seminars served as primary conduits for the distribution of handbooks, case studies, and course materials created by preceding USAID projects, then collected and reprinted by the Deepening Project. All materials, many of which were also on computer diskette, were readily copiable and therefore available for further local distribution by the partner associations. In the second phase of the project, DURER organized a popular two-day Omnibus Seminar which provided for an intensive introduction to each sector of real estate reform and stressed their inter-relationships.

**D. *Established Depositories for Real Estate Reform Materials***

*OUTCOME: Establish the primary Archive/library for the project, the "Information Services Center" in Moscow (December 1996) - ACCOMPLISHED.*

*OUTCOME: Establish the two secondary archive/library centers (October 1997) - ACCOMPLISHED.*

The IUE Information Services Center was fully operational by December, 1996. By October, 1997, three Regional Information Centers were designated and approved by USAID: in Samara, St. Petersburg, and Ekaterinburg. In each instance, a local association partner of the DURER project signed a protocol agreeing to maintain the materials, make them open for public use, and to make it possible for users to photocopy materials at a fee sufficient to cover the costs of duplication.

The Project maintained and distributed lists of materials available at each of its events. Furthermore, bulletins were sent to the relevant regional media concerning the existence of the Moscow and regional information centers, how they could be contacted, and about the Deepening program. As an off-shoot of DURER's work in assistance to the Partnership for Freedom Program in Velikii Novgorod, a full set of DURER training resource materials was given to the newly founded real estate program of the Department of Economics of Novgorod State University. The Construction and Engineering Institute of Samara was invited to use the materials given to the library of the Polvolzhe Guild of Realtors. Finally, in response to a request by seminar participants and the municipal administration, the Tiumen Chapter of the Russian Society of Appraisers was given a complete set of materials and signed a protocol for maintain them.

***Task Three: Fostering the Development of Professional Networks***

The Project worked to build professional networks among Russians involved in real estate by working in partnership with, and encouraging partnerships among, the numerous Russian professional and trade associations. To build these networks, the Project urged its partner organizations to offer courses and seminars in the regional centers of the Federation and otherwise expand the regional aspects of their activities. This was particularly successful in instances in which regional leaders attended a DURER event, and the project invited them to organize a local event in partnership with DURER and their national association. In each possible instance, linkages between regionally-based organizations and their national counterparts was encouraged, as well as the development of inter-regional networks. This work assisted in the strengthening of local chapters of the project's partner associations by providing tangible, locally available benefits for their members.

*OUTCOME: Establish a functional "Speakers Bureau" to be operated by a local organization and which demonstrates collaboration among at least 10 Russian professional and trade associations in the exchange of real estate information and experts (March 1997)*  
- ACCOMPLISHED.

In total, the DURER project organized 88 Russian experts to serve as members of its Speakers Bureau; in response to the demand of local organizers, forty nine of them were fielded. Deepening's Speakers Bureau organized twenty-six events (individual presentations at seminars not organized by the project) in collaboration with twenty different organizations throughout Russia. The project paid each speaker a fee for his or her actual day of work and authorized travel, lodging, and per diem expenses.

In a further effort to build professional networks, the Deepening Project sought opportunities to support the Eastern European Real Property Foundation (EERPF)'s work to develop private sector trade associations for real estate brokers, appraisers, and property managers. This involved attempts to coordinate the EERPF's events with those of the DURER project, to provide them with information and support when requested, and to attend and support their programs in the Russian Federation. A particular example involved the DURER special seminar for teaching the investment analysis of income producing real estate, a seminar which included participants from the EERPF sponsored work in real property management with the Russian Guild of Realtors.

#### ***Task Four: Incorporating Resources from Pilot and Projects***

Throughout its work, the DURER Project strove to take full advantage of materials previously developed by pilot USAID projects. It drew on the pool of experts developed by the pilot projects as the primary source for its speakers and authors. The project's goal was to enhance the maturation of foregoing and on-going projects. In every instance possible, it sought to avoid duplication of efforts

Specifically, the project collected, reproduced and, in some instances, updated training materials, utilizing the staff of prior projects to take advantage of existing expertise. Where development of new materials was necessary, as in the Omnibus Seminar, the Project obtained concurrence from USAID consulted the respective contractor in order to coordinate the work and to utilize the latest and best variants of available resources materials.

The Deepening Project also participated in the seminars and presentations of all related contractors. This was done to screen their presentations in order to be aware of their content and to insure their quality. Most importantly, participation in the presentations of

related AID contractors allowed the DURER project to be certain that its own materials were up to date, and to review and recruit potential speakers and authors for its own program, thereby leveraging the efforts of preceding USAID programs.

***Five: Completing the Real Estate Information System Network in St. Petersburg***

As agreed with USAID, contracts for implementation of the Real Estate Information System Network were handled through offices of the Urban Institute in Washington, DC and were not directed by the “Deepening Urban Real Estate Reform” Project in Moscow. Consequently, tasks related to the implementation of St. Petersburg’s Real Estate Information System (REIS), insuring that all necessary system elements are installed and operation, the orderly transfer of communications contracts initiated by Arthur Anderson, and monitoring the performance and delivery of equipment by city service providers, were administered by the Urban Institute and its subcontractor, PADCO.

**V REPORT ON THE ONE-MONTH EXTENSION OF THE PROJECT (SEPTEMBER 1998)**

The DURER project, as a whole, officially closed out 26 August 1998, as scheduled. The project was extended one month in order to take on and complete two new tasks at the request of USAID: a project to extend registration of real property rights to Novgorod oblast (in support of the Regional Investment Initiative in Velikii Novgorod) and an assessment and planning project for the real property sector in Samara, Uzhno-Sakhalin, and Khabarovsk (in support of the Regional Investment Initiative in the Russian Far East. Work on both projects is underway at the time of this report. Reports will be made to USAID on each by 1 October 1998.



## VI STATISTICAL SUMMARY

The following table details the DURER project's accomplishments in relationship to its overall objectives and specific goals, as listed in USAID's Task Order and the project's Work Plan. Detailed explanation of work in each task area is provided in the subsequent text of this report, and complete details are included in the various reports included in the Appendices.

OBJECTIVE	GOAL	ACCOMPLISHED
Start-up: Deliver Work Plan for DURER Project to USAID	December 1996	Work Plan delivered 16 Dec 1998
Start-up: Deliver Commitments of Participation from no less than 10 organizations & associations	No less than 10 organizations and associations by January 1997	14 Letters of Commitment delivered 16 December 1996
<p><i>Task 1: Professional Education and Training</i></p> <p>A. Curricula Development</p> <p>B. Professional Educational Courses</p> <p>C. Training of Trainers</p>	<p>Deliver curricula and training materials on no less than 5 aspects of the real estate market for training of trainers and professional organizations</p> <p>Provision of the first of 10 seminar and/or conference presentations by January 1997</p> <p>Deliver Curricula for training of trainers and professional</p>	<p>Gathered available curricula and training materials from each related, existing or on-going USAID pilot program, as they became available:</p> <ol style="list-style-type: none"> <li>1. Enterprise land sales (Chemonics)</li> <li>2. Property taxation (CFED)</li> <li>3. REIS Manuals (Arthur Anderson/Chemonics)</li> <li>4. Commercial Real Estate Lending (Barents/IUE)</li> <li>5. Zoning and Land Use (PADCO)</li> </ol> <p>Materials were updated where possible, deposited in the IUE Information Services Center, and distributed where appropriate</p> <p>Land Use Reform / ELS Seminar in Khabarovsk (January 1997)</p> <p>Training materials for first of two trainers training seminars</p>

	organizations by March 1997	<p>(effective methodologies) delivered Feb. 1997; materials for second seminar (presentation skills) were delivered in March 1997</p> <p>Three, dual seminar/workshops conducted during the life of the project (for IUE, RSA, RGR, and TsFIR)</p> <p>Additional, specialized seminar on teaching investment analysis was written &amp; given for IUE and RGR in May, 1998</p>
<p><i>Task 2: Dissemination of Information</i></p> <p>A. Prepare, publish, and distribute Professional Handbooks</p> <p>B. Implement a publications program</p> <p>C. Seminar &amp; Conference presentations</p> <p>D. Depositories for real estate reform materials</p>	<p>Publication of the first of 50 informational articles for trade publications and the first of at least 20 in-depth articles in trade publications</p> <p>Conduct 10 seminar &amp;/or conference presentations</p> <p>Establish the primary Archive/library for the project in Moscow by December 1996</p> <p>Establish two secondary archive/library centers by October 1997</p>	<p>DURER published 127 full-length articles and over 550 short bulletins and notices, involving 78 authors in over 42 publications; additional publication on the Internet and on-going publication after the close of the project</p> <p>DURER conducted 26 multi-day seminars in cooperation with 20 partner associations in 13 cities. Over 1400 professionals participated. Case studies, handbooks, and course materials were disseminated at each event.</p> <p>IUE Information Services Center fully operational by December 1996</p> <p>3 Regional Information Centers established with partner associations by October 1997 (St. Petersburg, Samara, and Ekaterinburg)</p>

		2 additional centers were established by the end of the project (Novgorod and Tiumen)
<i>Task 3: Fostering the Development of Professional Networks</i>	<p>Establish a functional "Speakers Bureau" to be operated by a local organization and which demonstrates collaboration among at least 10 Russian professional and trade association in the exchange of real estate information and experts (by March 1997)</p> <p>Serve as liaison with the EERPF</p>	<p>DURER organized 88 Russian experts for its Speakers Bureau; in response to demand, 49 participated in 26 events in collaboration with 20 Russian organizations. At project end, the Speakers Bureau has been turned over to IUE for future work.</p> <p>DURER assisted EERPF participation in a seminar in Samara, provided training in support of its IREM property management program, met with EERPF directors and attended their events</p>
<i>Task 4: Incorporating Resources from Pilot Projects</i>	(no specific outcome was stated for Task 4)	See listed accomplishments for Task 1, subtask A (above)
<i>Task 5: Completing REIS network in St. Petersburg</i>	In agreement with USAID, implementation was handled via subcontract and managed by UI's DC office	Achievement is detailed in a separate report from UI/DC.

## VII OBSERVATIONS AND RECOMMENDATIONS

The following observations and recommendations are made on the basis of the two year experience in implementing the Deepening Reform Project:

- Although areas remain in which technical assistance is required, significant economies can be made and cost effectiveness ensured, without compromising the quality of performance, through the utilization of qualified and well screened and coached Russian real estate professionals. The Deepening Project mobilized indigenous professionals to write nearly all of the articles for its publications program, to make almost all of its seminar presentations, and to provide all of the speakers in its Speakers Bureau program. Their level of performance was professional, and they were able to bring a Russian, practical perspective to the work that was unavailable from most expatriate specialists. The only negative factor is the relatively small number of

members in this Russian expert cadre. The Project recruited 88 individuals and was able to contract for the services of 49 of them (not including members of local administrations who were asked to speak in the seminars). Utilization of Russian professionals allowed a significant cost savings to the project and indirectly supported the survival of fledgling consultants by providing them a supplemental revenue stream.

- Utilization of local partner associations as organizers and sponsors of project events created additional cost savings, provided them with the practical experience in conducting seminars, provided training as a membership benefit to their members, and allowed the mobilization of gratis speakers who were recruited by the local organizer, rather than the Deepening Project.
- Joint venturing with the DURER project to conduct seminars to which members of the local and regional administrations were invited, in some instances provided local partner associations with an entree into local government. This was especially the case with private sector, brokers and appraisers associations. Although known to local administrations before, the conduct of the seminar and participation in roundtable sessions often resulted in newly forged relationships that were observed during subsequent vistas to be more accepted by all parties involved. These private/public sector sessions are especially important to the implementation of reform in the regions.
- Provision of articles, training materials, and handbooks on a non-copyrighted, attribution only basis was a sound policy which did result in maximum and on-going dissemination of reform concepts and market -driven methodologies. At the end of the project, staff was still observing evidence of subsequent publications and self-activated utilization of project materials.
- Identification as a source of professional methodologies and experts enabled the Deepening Project to provide information for policy decision making. Instances where this was possible involved registration of real property rights, formation of Federal mortgage law, and laws regulating the conduct of the real estate brokerage and appraisal professions. This was readily apparent on a local level in the regions of the Federation. DURER provided materials often filled an information vacuum and assisted in the cross fertilization of new ideas and the greater acceptance of reform methodologies.
- Numerous practices were observed to enhance the effectiveness of seminar presentations: invitation of well-known experts or decision makers on current issues, conducting well focused roundtables at the end of each seminar, easy physical availability of resource materials, and follow-up meetings in which both private and public sector leaders participated.